



Triglav Group

Building a
Safer Future.



Q1 2021 Results

Investor Presentation

May 2021

Disclaimer



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Q1 2021 Results

Financials & Investments

Appendix

Performance by Markets
Investment Portfolio by Segments

About Triglav Group



Q1 2021 Results

Financials & Investments



Q1 2021 Key Financials

Annual profit guidance confirmed, taking into account business conditions anticipated until the end of 2021.

GROSS WRITTEN PREMIUM

€ 371.7M


 Up by 7% y-o-y
 Up by 17% compare to Q1 2019

Slovenia	+5%
Other markets	+11%
Non-life	+9%
Life & Pensions	+1%
Health	+1%

PROFIT BEFORE TAX

€ 31.8M


 Up by 21% y-o-y
 Up by 7% compare to Q1 2019

Results under influence of increased business volume, favourable claims experience without major CAT events and prudent cost management but also negatively affected by continuation of extremely low interest rates and formation of additional insurance technical provisions due to current and expected business conditions.

COMBINED RATIO NON-LIFE

87.9%


 93.9% in Q1 2020

Lower claims and expense ratios.

Q1 2021 Highlights: Expectations of Insurance Supervision Agency that dividend payment be suspended until end of September 2021 but some exceptions are allowed. MB and SB propose dividend payment in the amount of EUR 1.7 gross per share (53% dividend payout). AGM is scheduled for 25 May 2021.

Q1 2021 Performance at a Glance

	In € million				
	Q1 2021	Q1 2020	Q1 2019	Index 2021/2020	Index 2021/2019
Gross written premium	371.7	348.9	317.2	107	117
Net premium income	264.7	261.1	235.2	101	113
Gross claims paid	171.3	177.8	166.2	96	103
Net claims incurred	171.2	185.7	160.7	92	107
Insurance business gross operating costs	68.4	64.3	61.0	106	112
Profit before tax	31.8	26.4	29.9	121	107
Net profit	26.5	22.4	25.5	118	104
Expense ratio non-life	25.6%	27.1%	26.8%		
Net claims ratio non-life	62.3%	66.9%	64.8%		
Combined ratio non-life	87.9%	93.9%	91.6%		

	Q1 2021	2020 YE	Index Q1 2021/2020 YE
Gross insurance technical provisions	3,142.0	3,033.2	104
Total equity	886.4	870.2	102
Number of employees	5,316	5,316	100

Structure of Profit Before Tax of Triglav Group

Consolidated PBT from (in € million):	Non-life	Life & Pen.	Health	Total	Q1 2021 y-o-y
Underwriting activities (1)	19.5	4.4	2.7	26.5	 +73%
Investment activities net of investment guarantees (2)	3.9	-0.3	0.1	3.7	 -66%
Insurance (1 +2)	23.3	4.1	2.8	30.2	 +15%
Non-insurance* (3)				1.6	In 2020 0.2
Total PBT (1+2+3)				31.8	 +21%
PBT by insurance segments:	Non-life	Life & Pen.	Health		
Q1 2021 y-o-y:	 +75%	 -57%	 -16%		

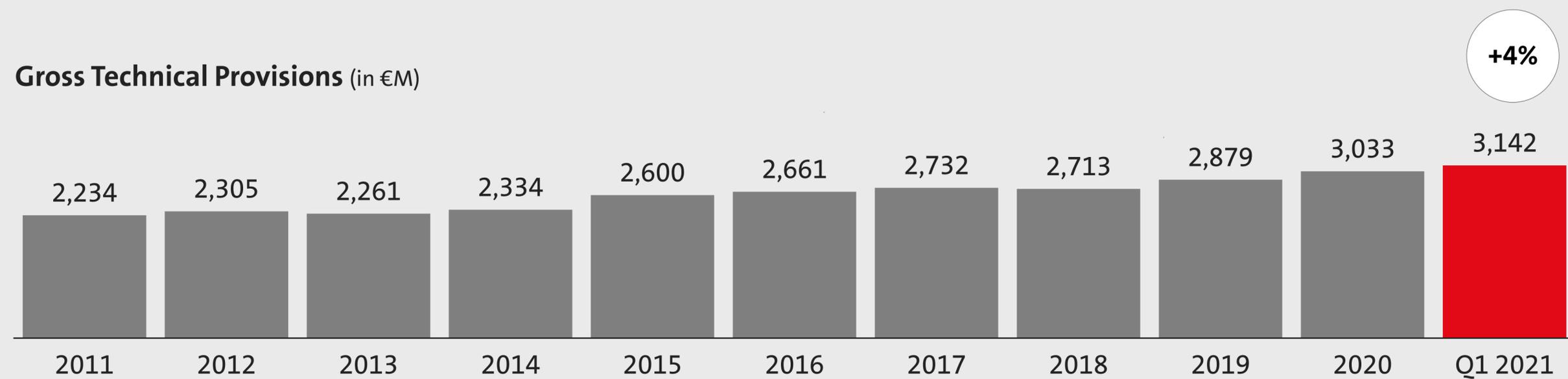
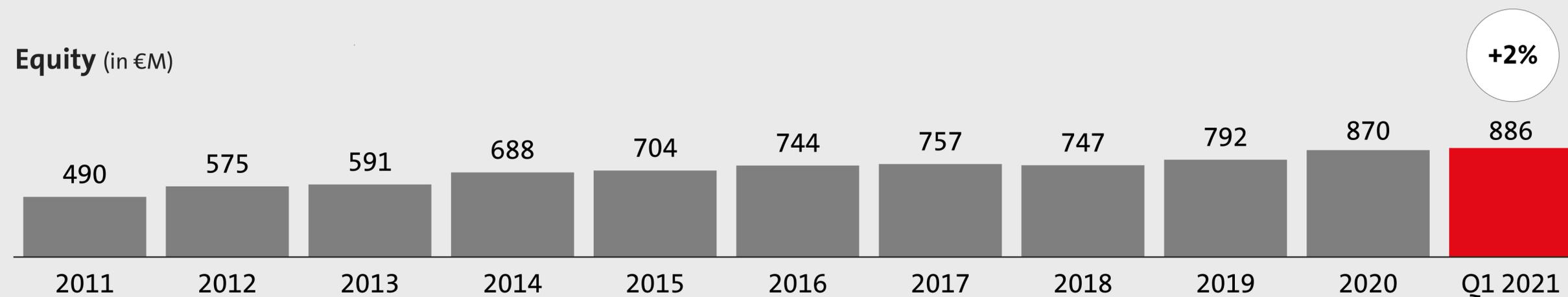
→ Strong underwriting profitability despite reserves strengthening in Non-life and Health.

→ Lower regular interest income and realised capital gains. Additional mathematical reserves for investment guarantees.

*Non-insurance PBT consists mainly from results of AM company, real estate management company and insurance agency.

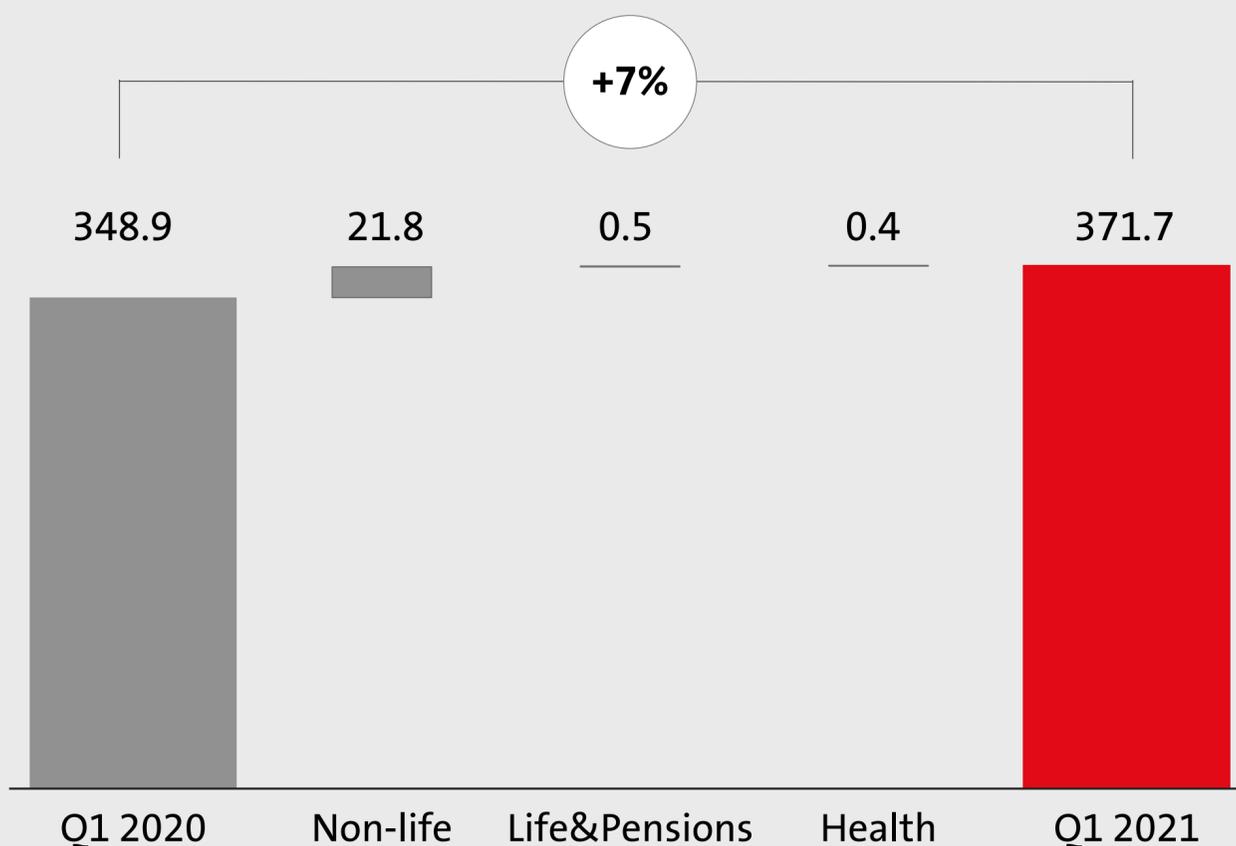


Resilience And Financial Strenght



GWP by Insurance Segments

GWP development from Q1 2020 to Q1 2021 (in €M)

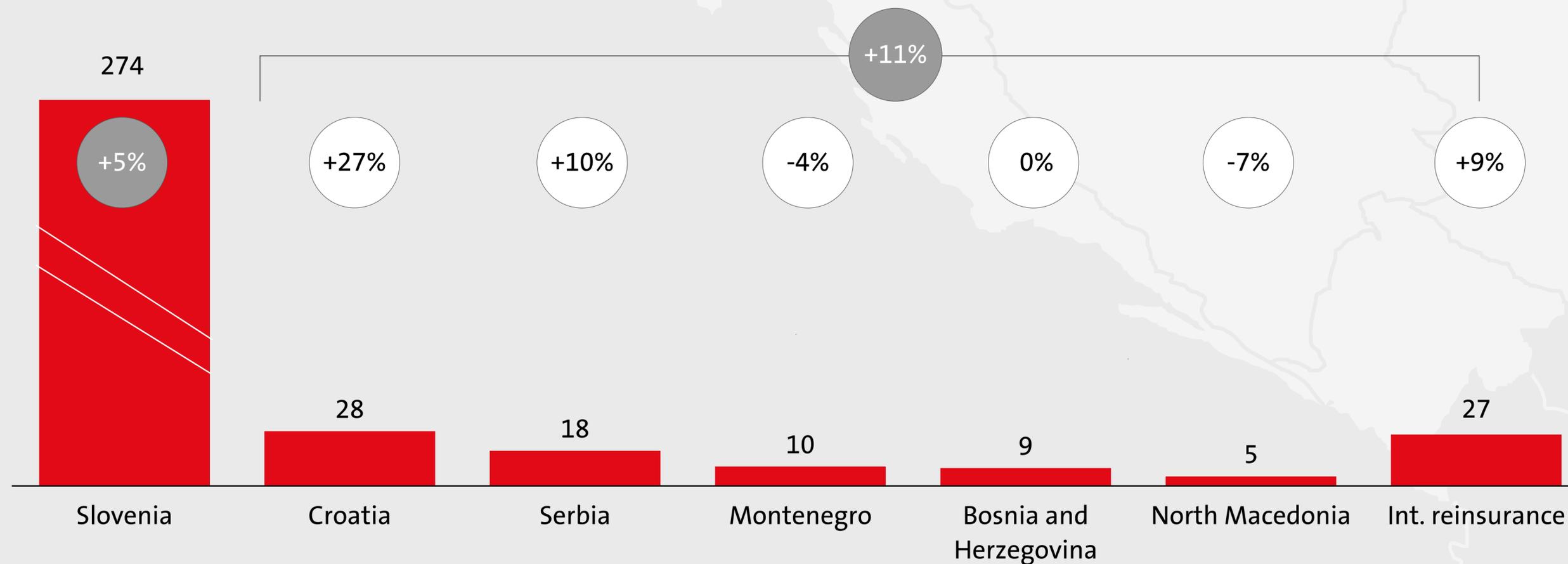


GWP growth by segments (y-o-y in %)

Insurance Segment	Growth	Comment
Non – life	+9%	Growth in all insurance classes except in accident and credit insurance.
Life & Pensions	+1%	Growth in supplemental voluntary pension insurance. Increased sales through bank channels in some markets outside Slovenia.
Health	+1%	Growth in additional health insurance in and outside Slovenia, supplemental health GWP remained at the last year's level.
GWP Total	+7%	

GWP by Markets

Q1 2021 GWP by markets (GWP in €M; GWP growth y-o-y in %)



Claims Experience

Gross claims paid by segments (in €M)



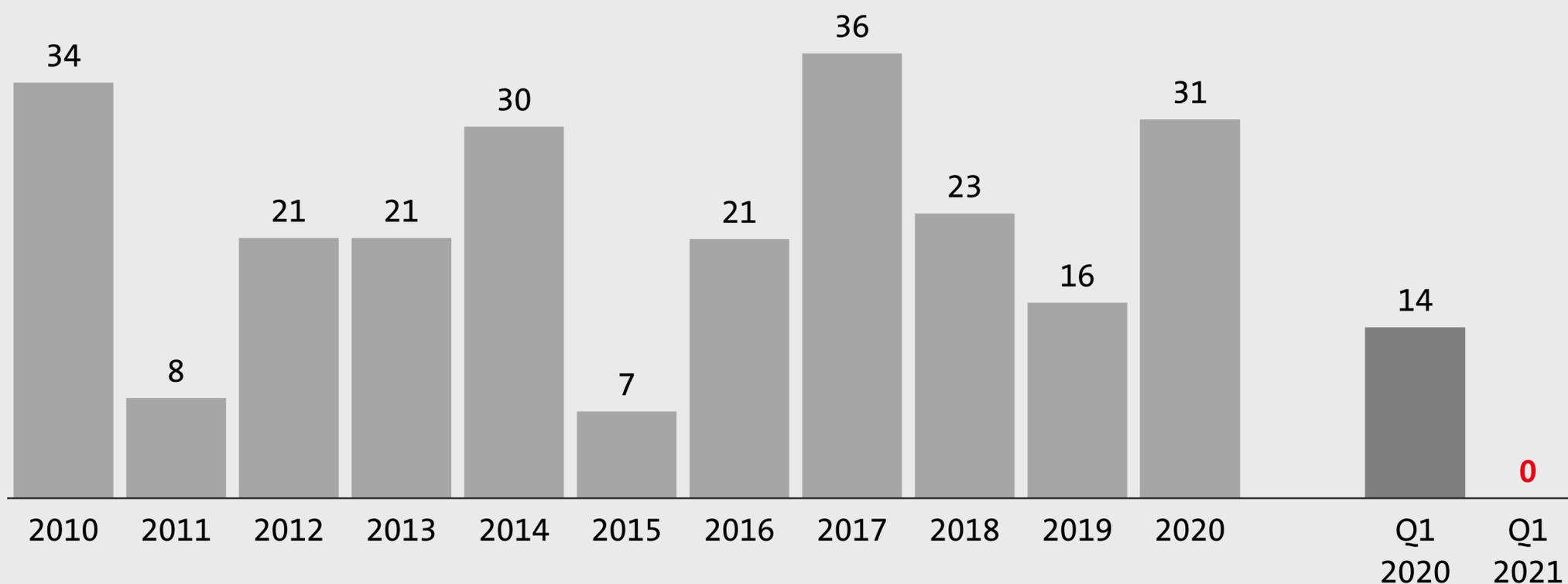
Q1 2021 Gross Claims Paid comparable to Q1 2020

Segment	Growth	% Total	Comment
Non - life	↓ -4%	50%	Impact of decline in economic activity and population mobility due to restrictive measures to curb COVID-19 epidemic and absence of major CAT events.
Life & Pensions	↓ -2%	29%	
Health	↓ -6%	21%	
Total	↓ -4%	100%	



Major CAT Events

CAT losses in last 10 years (estimated values; in €M; Triglav Re's non-group CAT losses included)



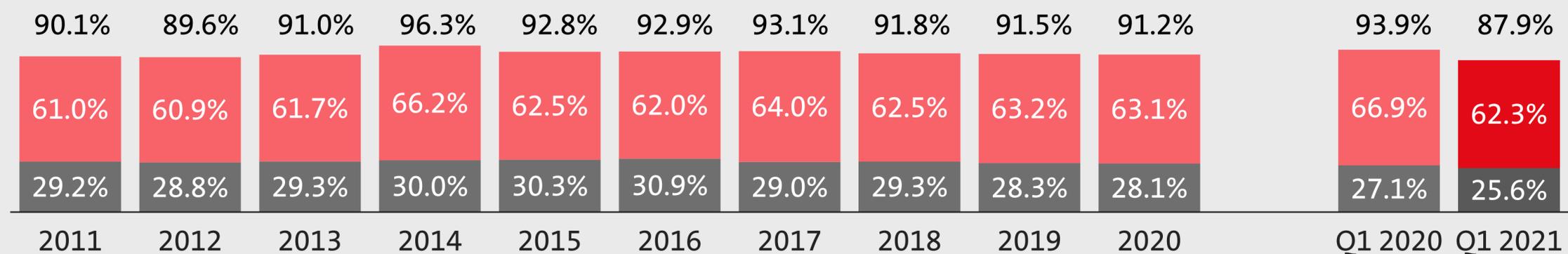
No major CAT events in this year's first quarter.

Most frequent CAT loss events are **flood, storm, hail and frost.**



Continued Underwriting Discipline

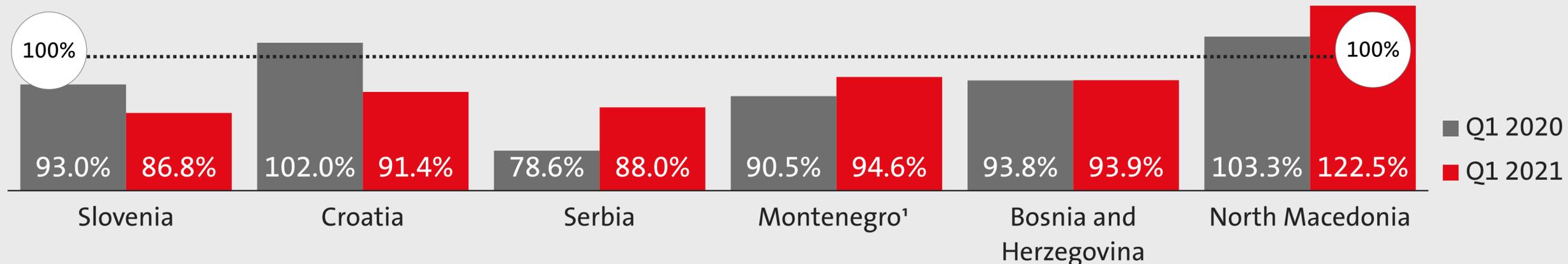
Triglav Group Combined Ratio Non-life & Health (CoR NL & Health)



■ Loss ratio
■ Expense ratio

Favourable CoR NL & Health due to improved both claims ratio and expense ratio.

Triglav Group Combined Ratio NL & Health by markets



¹ Does not include results of Lovćen Auto, d.o.o.

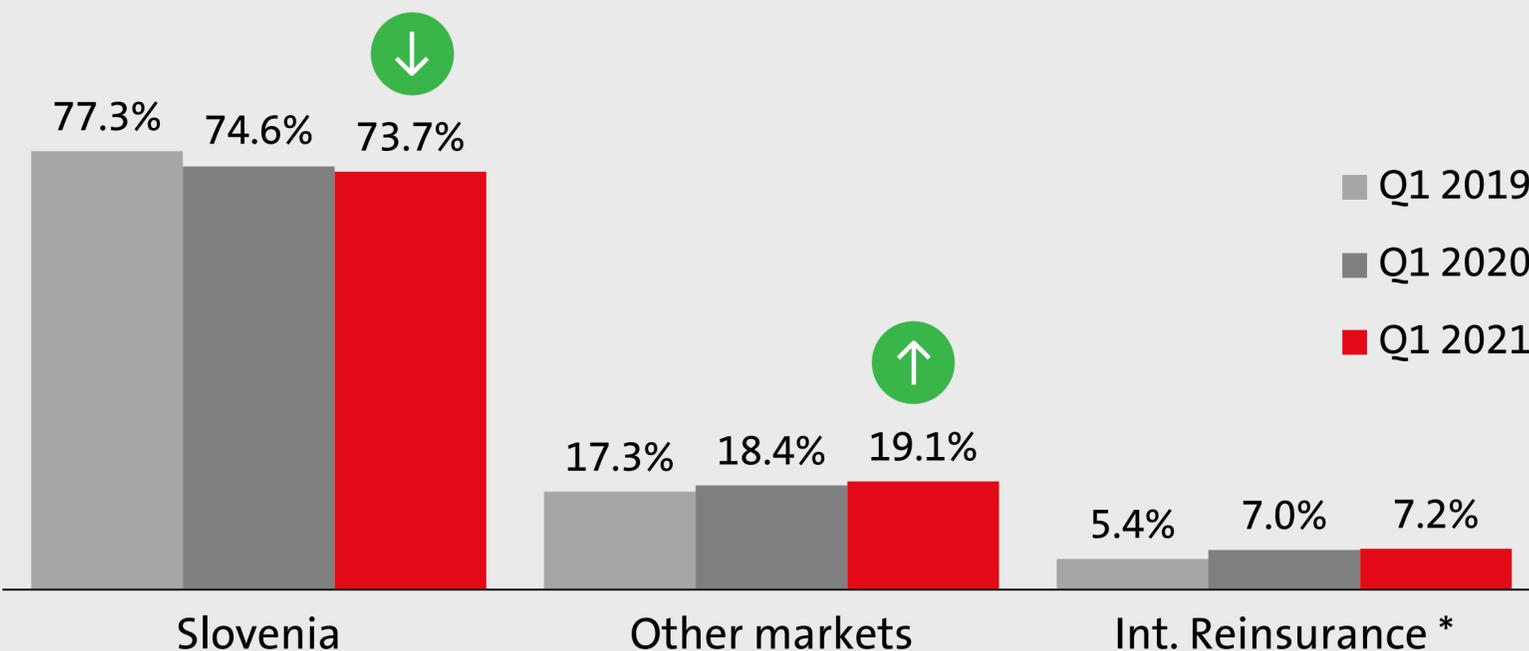


GWP Diversification By Markets

Consistently **increasing share of GWP outside Slovenia**. Providing cross-border insurance services in more than 15 EU member states and by expansion of long-term partnerships from Greece and Italy to Norway and the Netherlands.

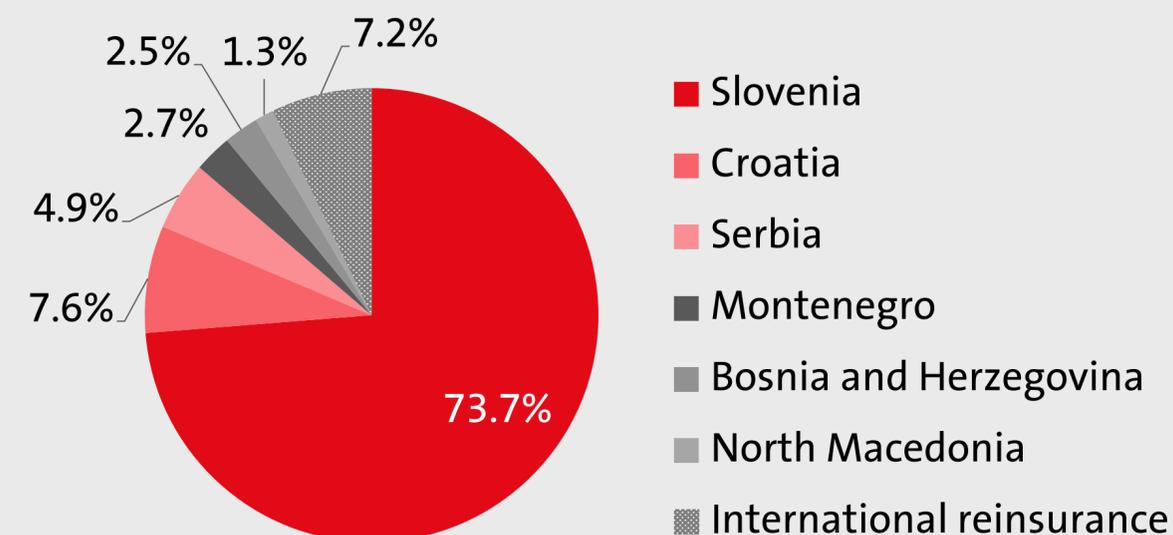
GWP Share from Slovenia/outside Slovenia

(% GWP)



Structure of GWP by markets

(Q1 2021; % GWP)



*Written by in-house reinsurer Triglav Re. Conservative reinsurance strategy - selective underwriting with focus on profitability, targeting small to medium-sized insurance companies, predominantly writing short-tailed risks, focus on geographical diversification.



GWP Diversification By Products, Clients and Sales Channels

Data for Q1 2021, change y-o-y

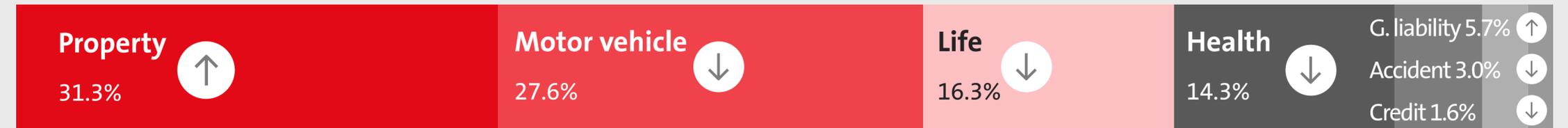
By main insurance segments

Well balanced structure of GWP.



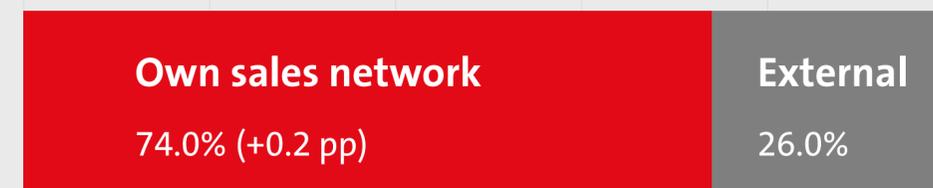
By products

Constant upgrading product /service mix.



By sales channels

Omni-channel sales approach.



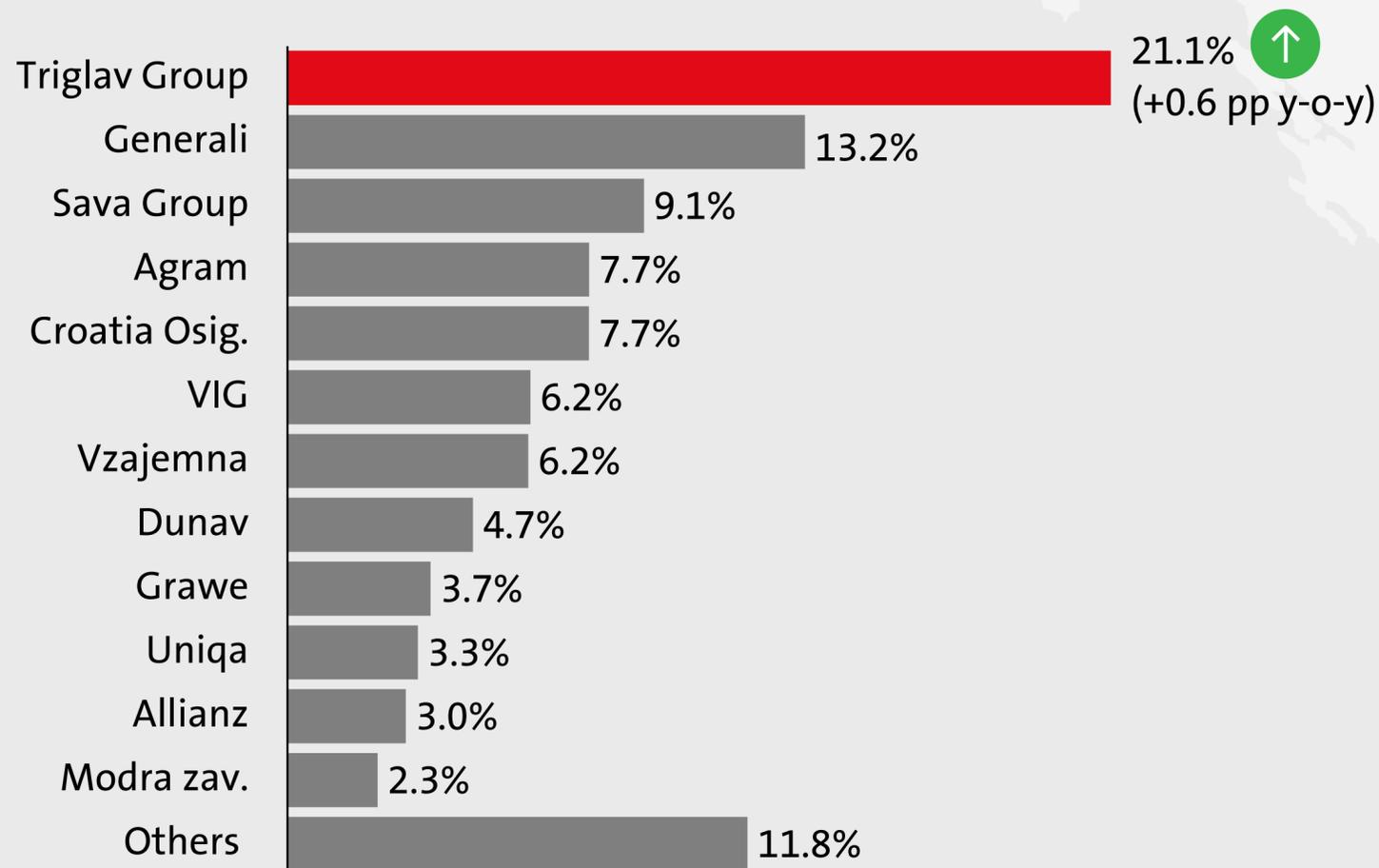
By Client Type (reinsurer Triglav Re excluded)



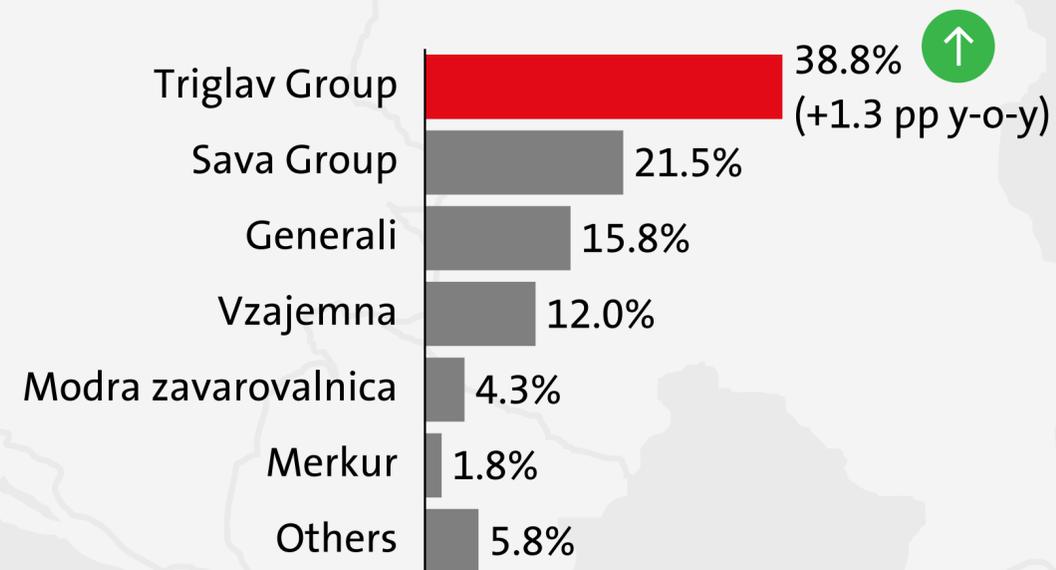


Leading Insurance /Financial Group in Adria Region

Adria Region* (2020)



Slovenia (Q1 2021)



Triglav market share in Slovenia by segments (Q1 2021):

46.4% in Non-life (+2.1 pp y-o-y)

31.0% in Life (+0.4 pp y-o-y)

29.9% in Health (+0.2 pp y-o-y)

* Adria region: Slovenia, Croatia, Serbia, Bosnia and Herzegovina, Montenegro, North Macedonia



Position by Markets

SLOVENIA

38.8%  (+1.3 pp y-o-y)

Market share

1st rank

CROATIA

6.6%  (+1.1 pp y-o-y)

Market share

7th rank (up from 8th y-o-y)

SERBIA*

6.5%  (+0.1 pp y-o-y)

Market share

5th rank

MONTENEGRO

42.7%  (+0.4 pp y-o-y)

Market share

1st rank

BOSNIA & HERZEGOVINA*

8.6%  (+0.8 pp y-o-y)

Market share

4rd rank (up from 6th y-o-y)

NORTH MACEDONIA*

12.9%  (-1.0 pp y-o-y)

Market share

1st rank

*Data for 2020



High-Quality Investment Portfolio

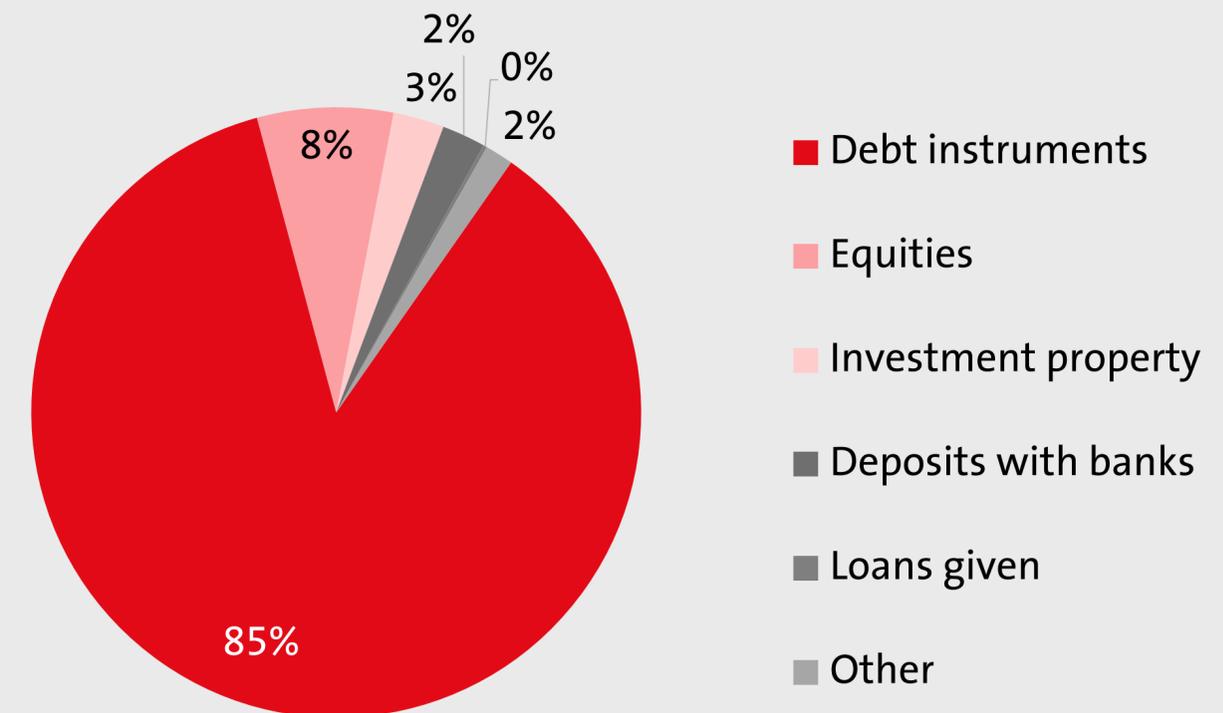
Asset allocation similarly conservative as at 2020 YE.

Asset allocation subject to ALM on portfolio basis and ERM principles.

Key objective is to maintain high overall rating of whole investment portfolio.

Asset Allocation (Unit-linked insurance contract investments excluded):

Total (Q1 2021): € 2,985M

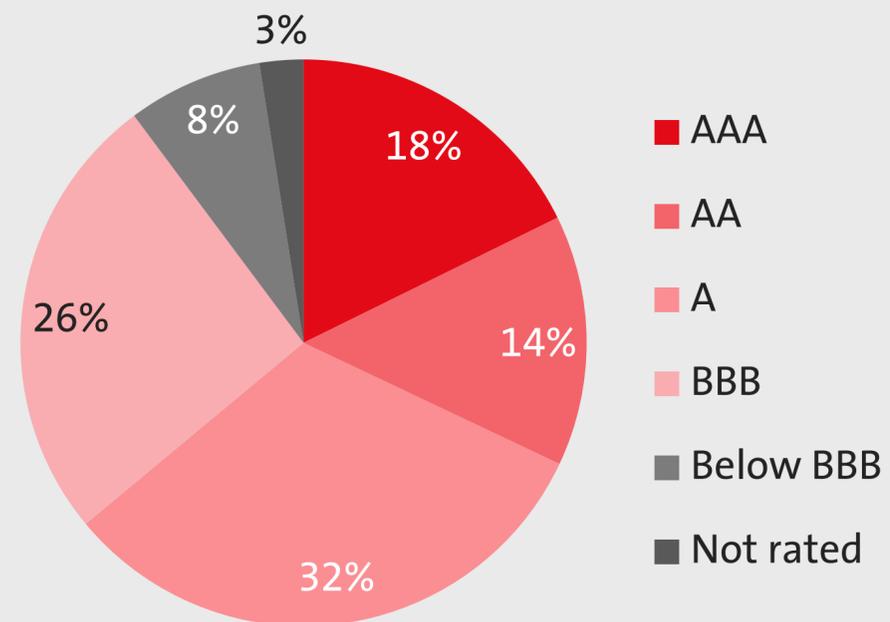




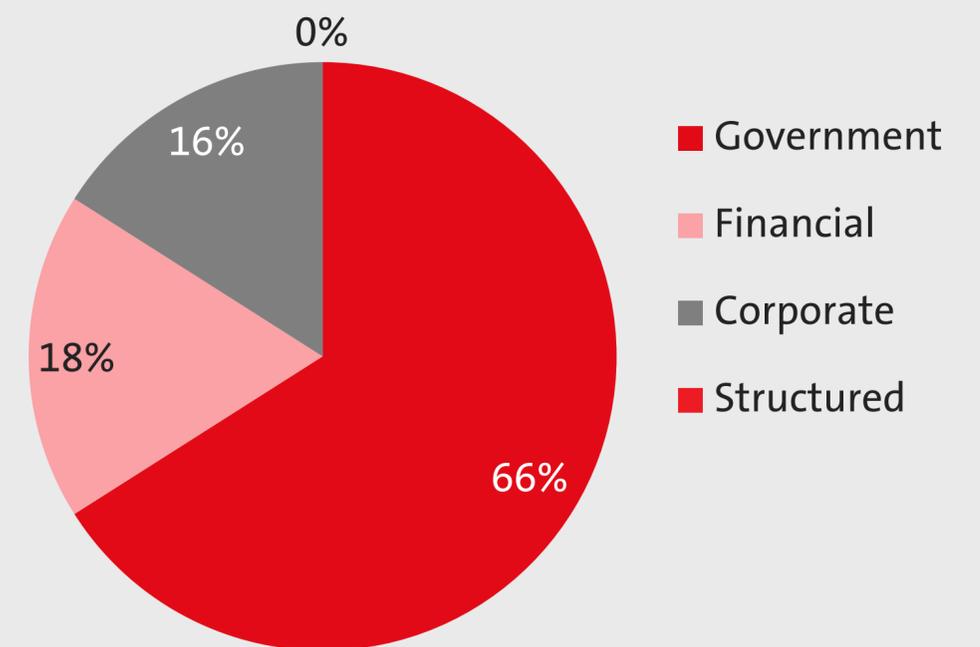
Bond Portfolio

Debt instruments by rating and by type of issuer

Total (Q1 2021): € 2,549M



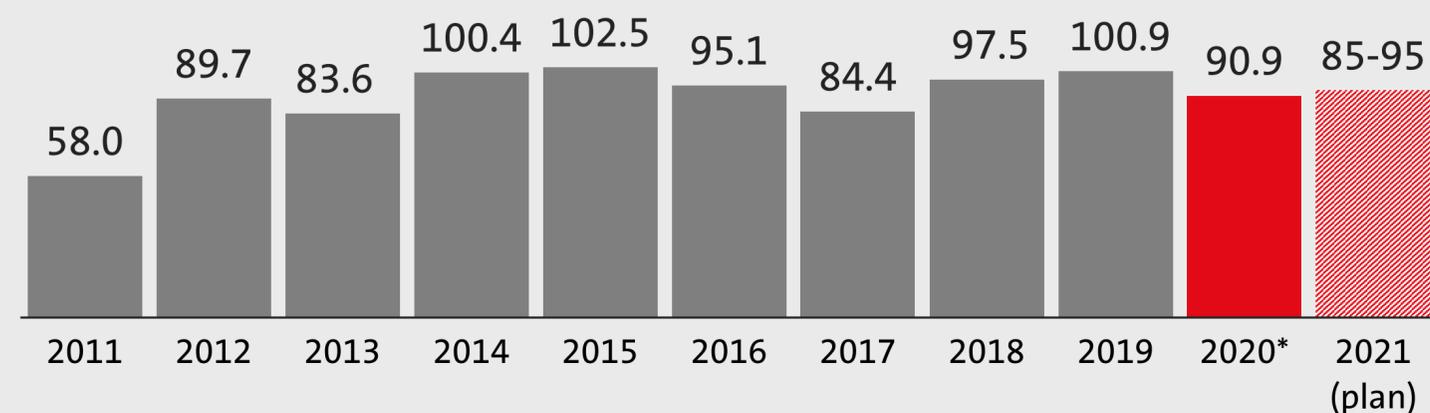
Bond portfolio's investments are globally diversified and of high quality - **89.8%** with investment grade credit rating of **at least "BBB"**.



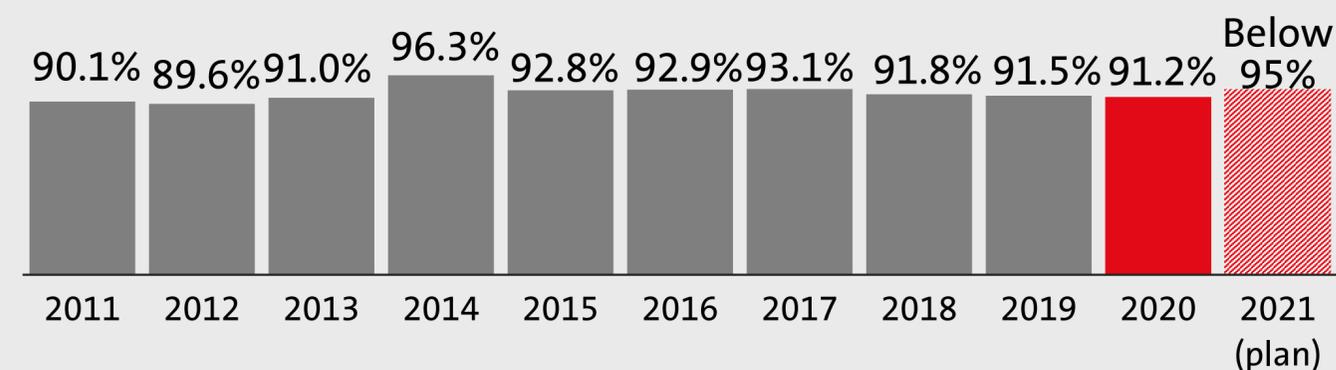


2021 Outlook

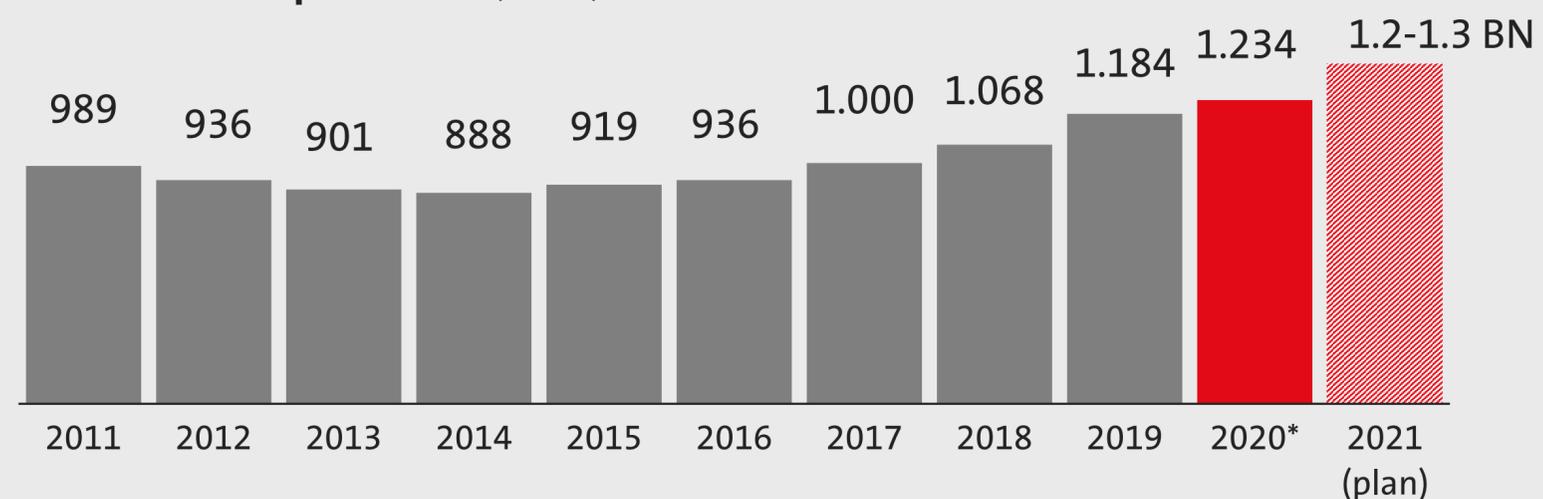
Profit before tax (in €M)



Combined ratio NL



Gross written premium (in €M)



In 2021 continuation of profitable performance with increased business volume and underwriting profitability.

As at Q1 2021 annual profit guidance is confirmed, taking into account business conditions anticipated until end of 2021.

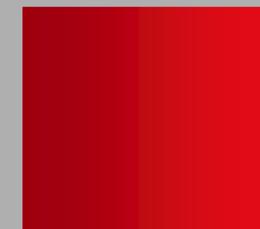
Planned figures for 2021 are based on outlook, expectations about events and circumstances, and forecasts available to Company at time of drafting plan. Actual results, performance and events may significantly deviate from those taken into account in plan.



Appendix

Q1 2021 Performance by Markets

Investment Portfolios by Insurance Segments





Slovenia

Zavarovalnica Triglav
 Triglav, Zdravstvena Zavarovalnica
 Triglav, pokojninska družba

GWP*	Gross operating costs	Gross claims paid	Combined ratio NL
€ 284.3M	€ 49.5M	€ 135.7M	86.8%
+6%	+6%	-8%	-6.2 pp
Market Share	Market Position		
38.8%	1		
+1.3 pp			

GWP growth above the market (i.e. 2%). GWP of Zavarovalnica Triglav increased by 7%, TZZ by 1%, TPD decreased by 3%. Rising price competition on selected insurance lines, upward pressure on the acquisition costs.
 Market share by segments: 46% in non-life, 31% in life insurance and 30% in health insurance.

*Non-consolidated



Croatia

Triglav Osiguranje, Zagreb

GWP	Gross operating costs	Gross claims paid	Combined ratio NL
€ 28.4M	€ 6.4M	€ 11.2M	91.4%
+27%	+3%	+36%	-10.6 pp
Market Share	Market Position		
6.6%	7		
+1.1 pp	Up from 8 th		

Strong GWP growth above the market (i.e. 6%) due to new clients.

Increased market share and improved market position.



Serbia

Triglav Osiguranje, Belgrade

GWP	Gross operating costs	Gross claims paid	Combined ratio NL
€ 18.2M	€ 6.6M	€ 6.4M	88.0%
+10%	+32%	-1%	+9.4 pp
Market Share (2020)	Market Position (2020)	<p>Strong GWP growth above the market (i.e. 2%) due to new clients and in life insurance due to bancassurance.</p> <p>Increased market share. Improved structure of GWP. Upward pressure on the acquisition costs.</p>	
6.5%	5		
+0.1 pp			



Montenegro

Lovćen Osiguranje

Lovćen Životna Osiguranja

GWP

€ 10.1M

↓ -4%

Gross operating costs

€ 2.7M

↓ -13%

Gross claims paid

€ 4.4M

↓ -2%

Combined ratio NL

94.6%

↑ +4.1 pp

Market Share

42.7%

↑ + 0.4 pp

Market Position

1



Leading market position and improved market share.

GWP growth in life insurance due to bancassurance.

Improved core operating profitability.



Bosnia and Herzegovina

Triglav Osiguranje, Sarajevo

Triglav Osiguranje, Banja Luka

GWP

€ 9.3M

↓ -1%

Gross operating costs

€ 3.2M

↑ +1%

Gross claims paid

€ 2.7M

↑ +5%

Combined ratio NL

93.9%

↑ +0.1 pp

Market Share

(2020)

8.6%

↑ +0.8 pp

Market Position

(2020)

4

↑ Up from 6th

Improved market position and market share.

Decrease of total GWP in line with the market. In life insurance growth of GWP due to bancassurance. Upward pressure on the acquisition costs. Focus on profitability in challenging market environment.



North Macedonia

Triglav Osiguruvanje, Skopje

Triglav Osiguruvanje Život, Skopje

	GWP	Gross operating costs	Gross claims paid	Combined ratio NL
	€ 5.0M	€ 2.0M	€ 2.4M	122.5%
	-6%	+6%	+6%	+19.2 pp
	Market Share (2020)	Market Position (2020)		
	12.9%	1		
	-1.0 pp			

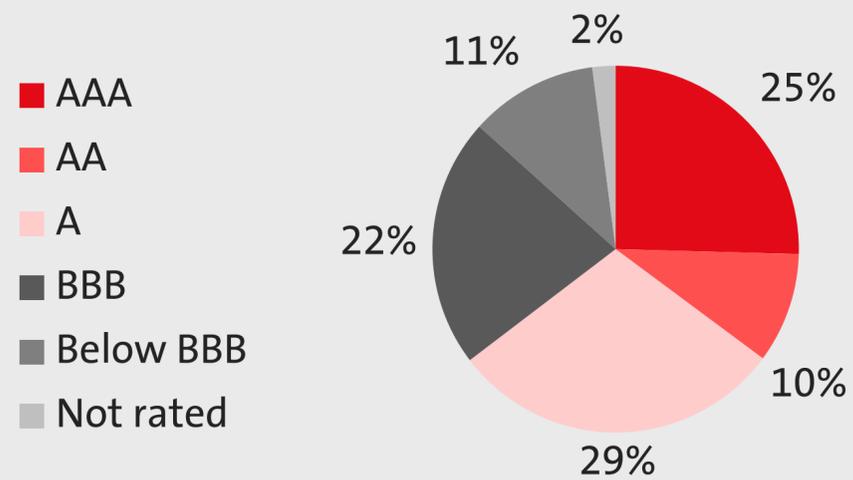
Challenging market conditions, decrease of market share.

Decrease of GWP due to pandemic. In life segment focus on bancassurance.

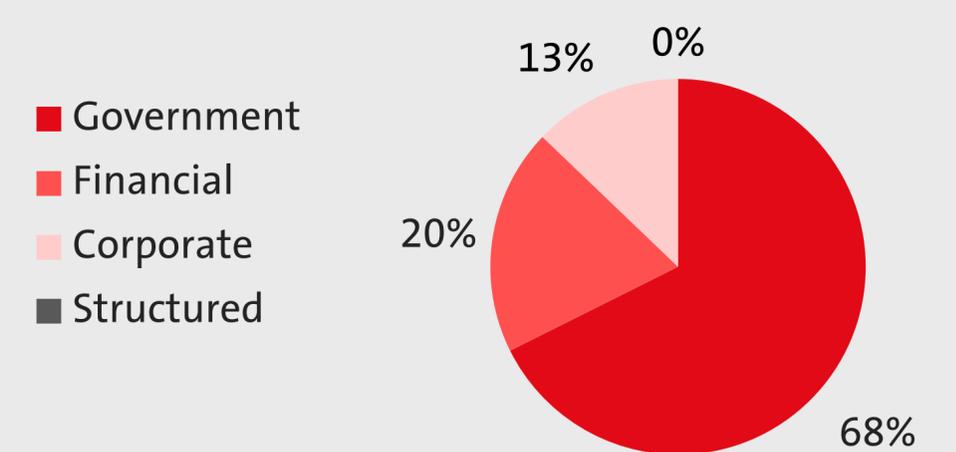


Non-life and Health Investment Portfolios

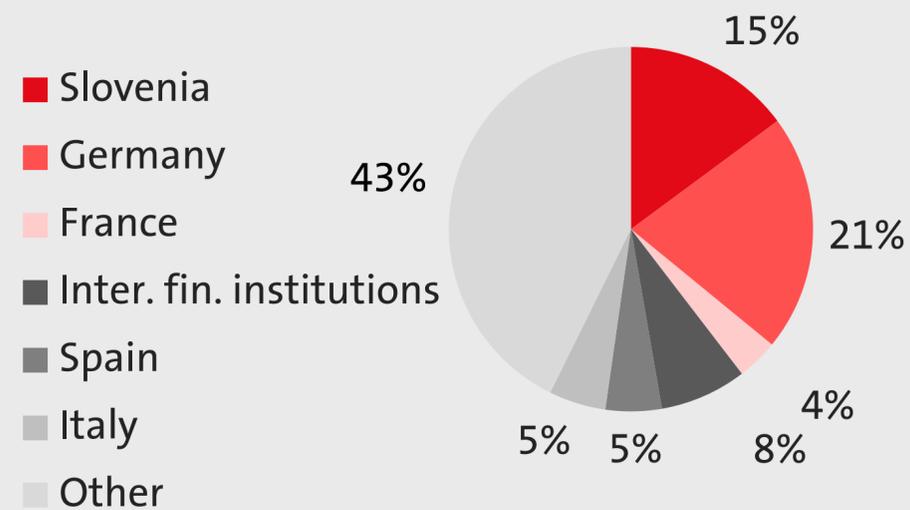
Bonds by Rating



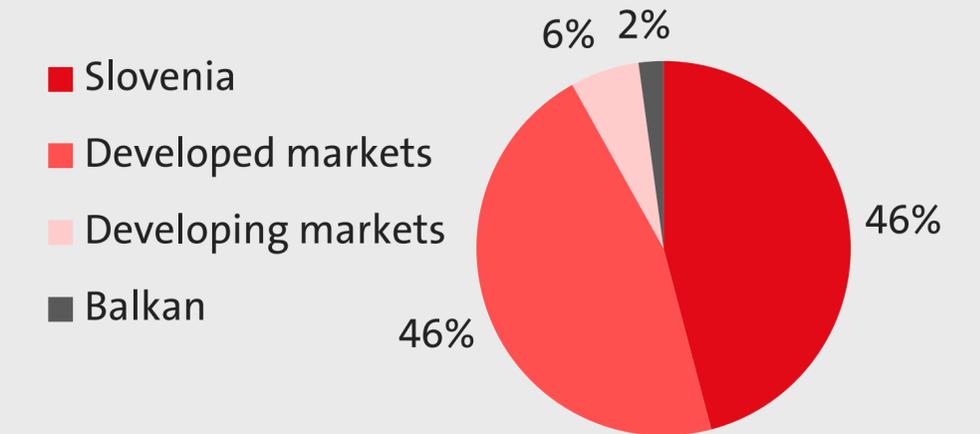
Bonds by Type of Issuer



Top Bond Exposures by Country



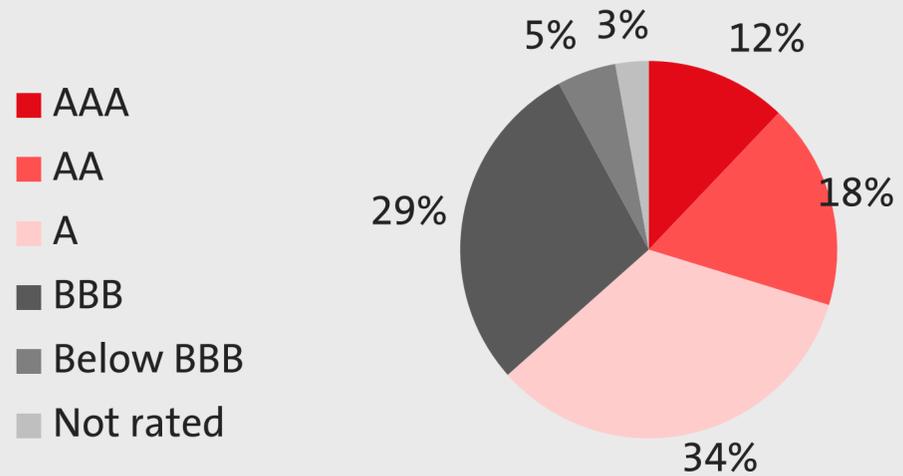
Equity Exposures by Region



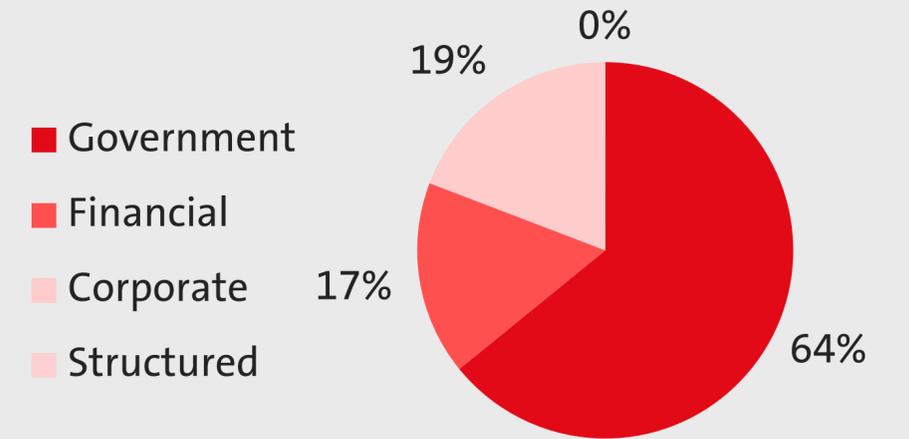


Life and Pensions Investment Portfolios (Unit-Linked Investments Excluded)

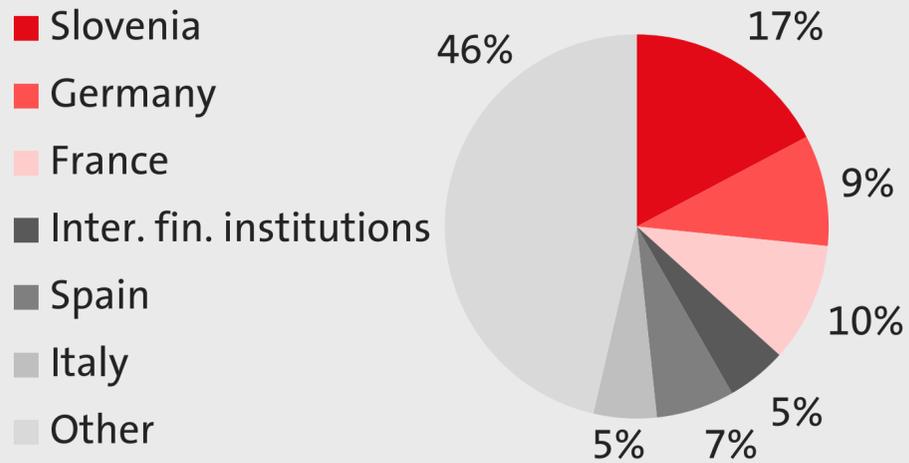
Bonds by Rating



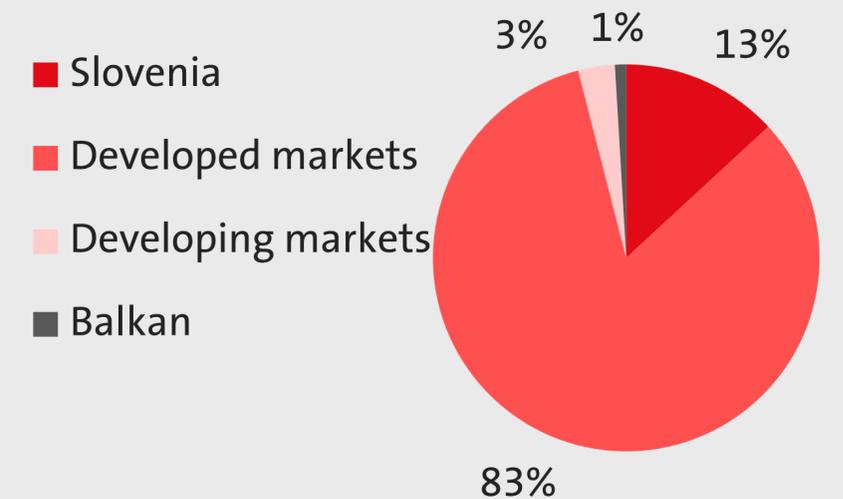
Bonds by Type of Issuer



Top Bond Exposures by Country

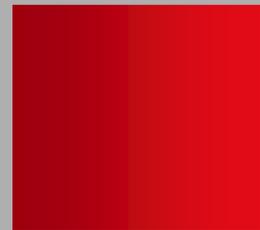


Equity Exposures by Region





About Triglav Group



Triglav Story



Profitability
Client-centric approach
New ways of doing business
2019-2022

Profitability
2010 Selective expansion

Fast growth in the markets
outside Slovenia

2008
Listing on the Ljubljana SE

Leading position in Slovenia,
expansion started
2000

1990
Transformation into a public limited
company Expansion of business

1900
Established in Austro-Hungarian
Empire as the first Slovenian insurance
company founded with domestic capital



Triglav Group

Triglav Group

44 companies, parent company founded in 1900

Market leader in Adria region¹ and Slovenia, internationally present through reinsurance

> 5.300 employees

Balance Sheet (2020): € 4.1Bn

Rating A/Stable outlook



Core business

INSURANCE

GWP (2020): € 1,233.8M

- Non-life
- Life
- Pensions
- Health
- Reinsurance

ASSET MANAGEMENT

Insurance portfolios & own funds (2020):
AUM € 2,995M

Investment funds & discretionary mandate assets (2020):
AUM € 1,156M

Shareholders

ZPIZ (35%) and SDH (28%) predominant shareholders

31% free float

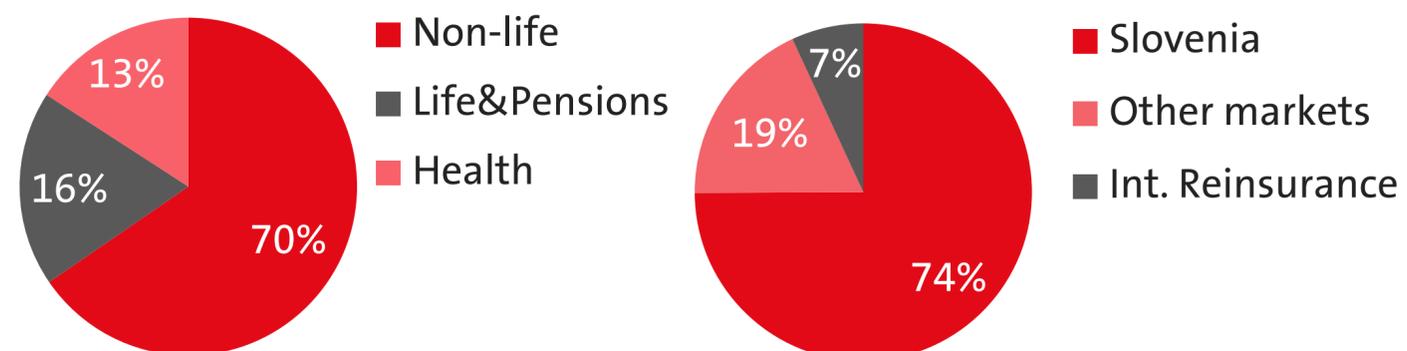
16% international share

≈ 12,600 shareholders



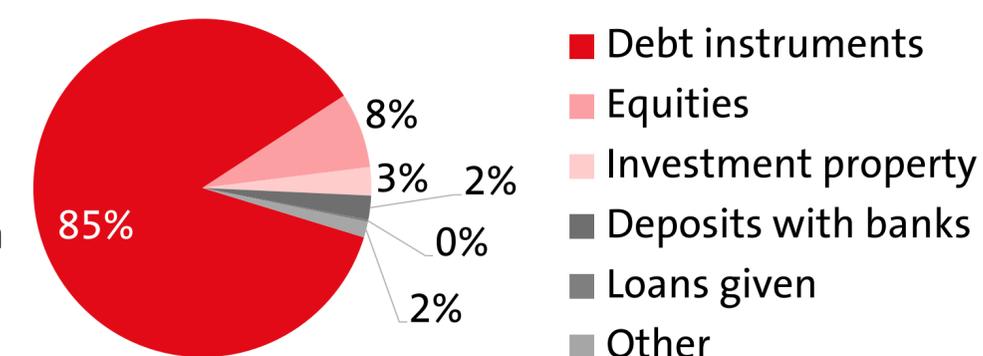
¹ Adria region: Slovenia, Croatia, Serbia, Bosnia and Herzegovina, Montenegro, North Macedonia

GWP Diversification (Q1 2021)



High quality investment portfolio (Q1 2021; (Unit-linked ins. contracts excluded))

89.8% with investment grade credit rating of at least "BBB", mostly invested in the euro area.



Two Tier Governance System



Strategic Guidelines

Implementation in 2020:

Long-term stable and profitable operations & increased value of Triglav



Profitable operations. „A“ credit ratings. Increased volume of business.
Improved cost-effectiveness and business productivity.
Resilient insurance and investment portfolios. SCR ratio within target range.
Increased market share and geographical diversification of operations.



Client focus and development of related services



Extraordinary high client satisfaction score (NPS = 67%).
Additional impetus to overall digital business transformation of Triglav.
Omni-channel approach.
Redesign and launch of new products & assistance services.



Developing even more cooperative and agile organisation and culture



Exceptionally high level of employee engagement and satisfaction.
Enhanced agility of employees and their attitude to change. Maintaining stable and adequate occupation of key posts.
Training system and management-by-objective system.





Working Towards Our Vision

			2021
2018	2019	2020	2022
Rating A/Stable ROE 10.8 % CoR NL 91.8 % GWP +7 % AUM (<i>mutual funds</i>) -10.9% Market share in Adria region 20.0% % GWP outside SLO 17.9%	Rating A/Stable ROE 10.9 % CoR NL 91.5 % GWP +11 % AUM (<i>mutual funds</i>) +68% Market share in Adria region 19.9% % GWP outside SLO 18.1%	Rating A/Stable ROE 8.9 % ¹ CoR NL 91.2 % GWP +4 % AUM (<i>mutual funds</i>) +4% Market share in Adria region 20.4% (+0.5 pp) % GWP outside SLO 18.2%	Rating A ROE > 10 % Average target CoR NL around 95 % Increased volume of business Market leader Increased % GWP outside SLO

¹ Lower due to lower profit, higher retained earnings and increased fair value reserve.



Dividend Policy of Triglav

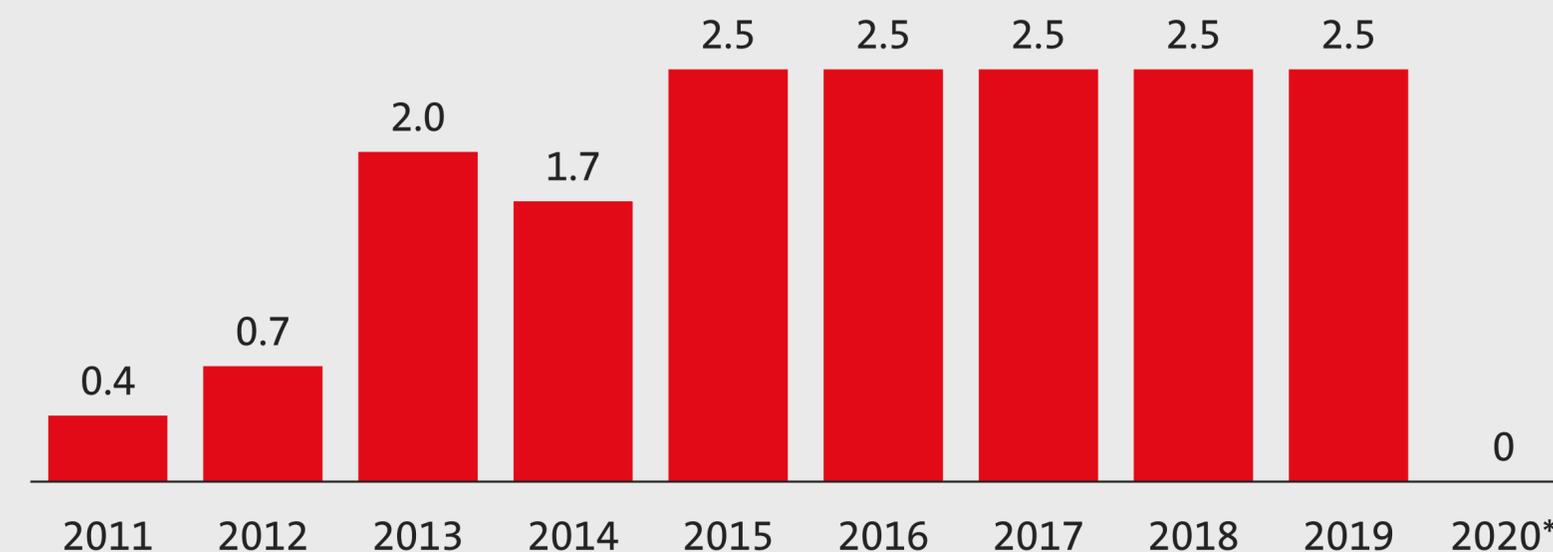
Dividend policy of Triglav

Minimum dividend pay-out is set to 50% of consolidated net profit for the previous year. Triglav will strive not to reduce its dividend payment below the level of the previous year. **Dividend policy subordinated to achieving the medium-term sustainable target capital adequacy of Triglav Group.**

Three objectives are followed in a balanced manner:

- to ensure prudent capital management of Triglav Group and its financial stability,
- to reinvest net profit in the implementation of the strategy of growth and development of Triglav Group and
- to pay out attractive dividends to the shareholders.

Gross dividend per share, yearly paid out in last 10 years (in €)



*In 2020: Regulator’s call upon insurance companies in Slovenia to suspend payout of dividends.

In 2021: Expectations of regulator that dividend payment be suspended until end of Sept 2021 but some exceptions are allowed. MB and SB proposed dividend payment in the amount of EUR 1.7 GPS (53% dividend payout). AGM is scheduled for 25 May 2021.

Corporate Responsibility – our E, S & G

At the end of 2020, Triglav Group adopted its **Commitment to sustainability** that sets out direction of Triglav's development in **environmental**, **social** and **governance** areas.

We committed ourselves through our activities to reduce uncertainty in environment, provide our clients with financial and other security and create sustainable value for our shareholders and other stakeholders.

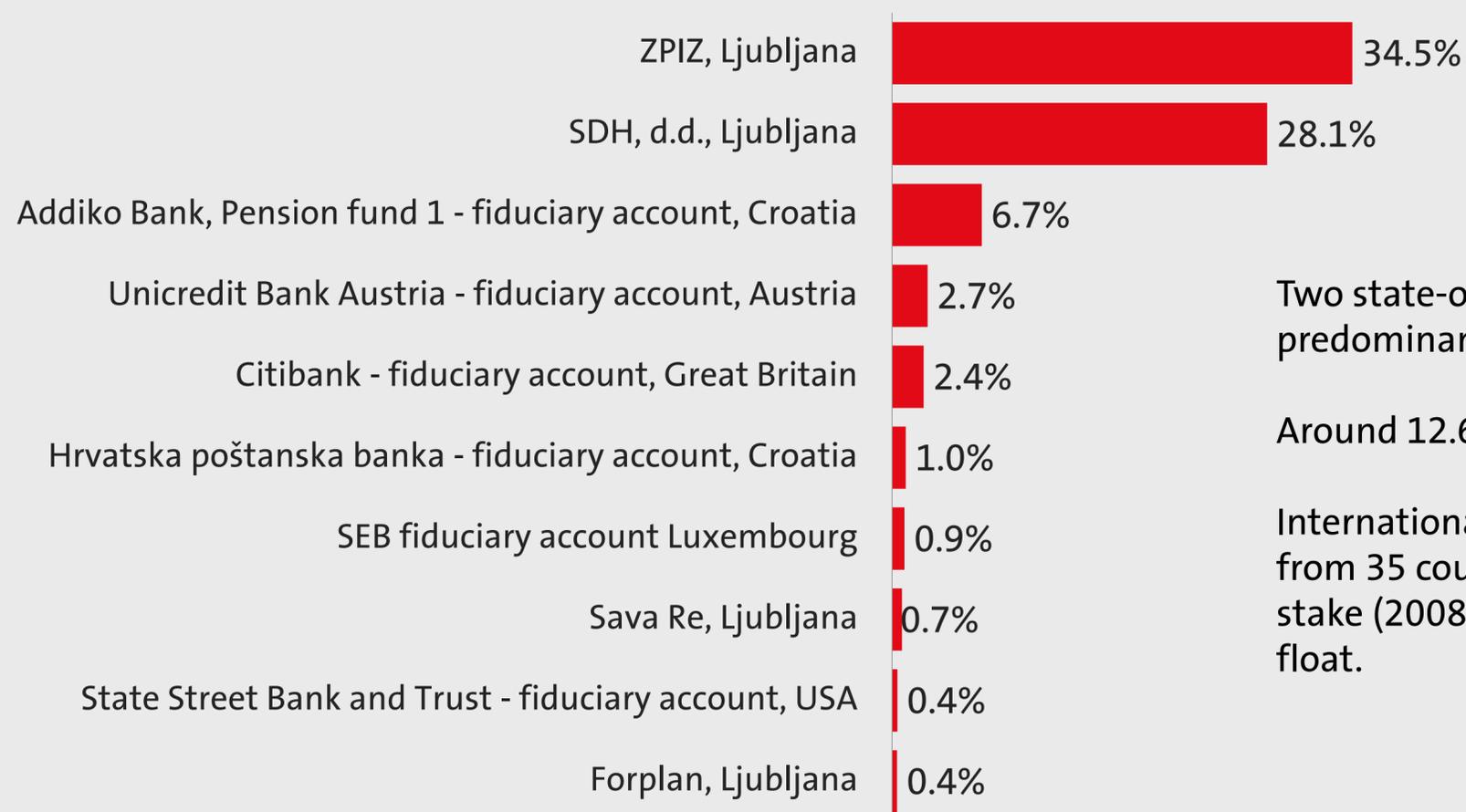
When designing insurance products, providing services and managing our own portfolios and clients' assets, we consider fundamental aspects of sustainable operations.

More information available at www.triglav.eu.



Stable Shareholder Structure

Structure of Top 10 (as at 31 March 2021)



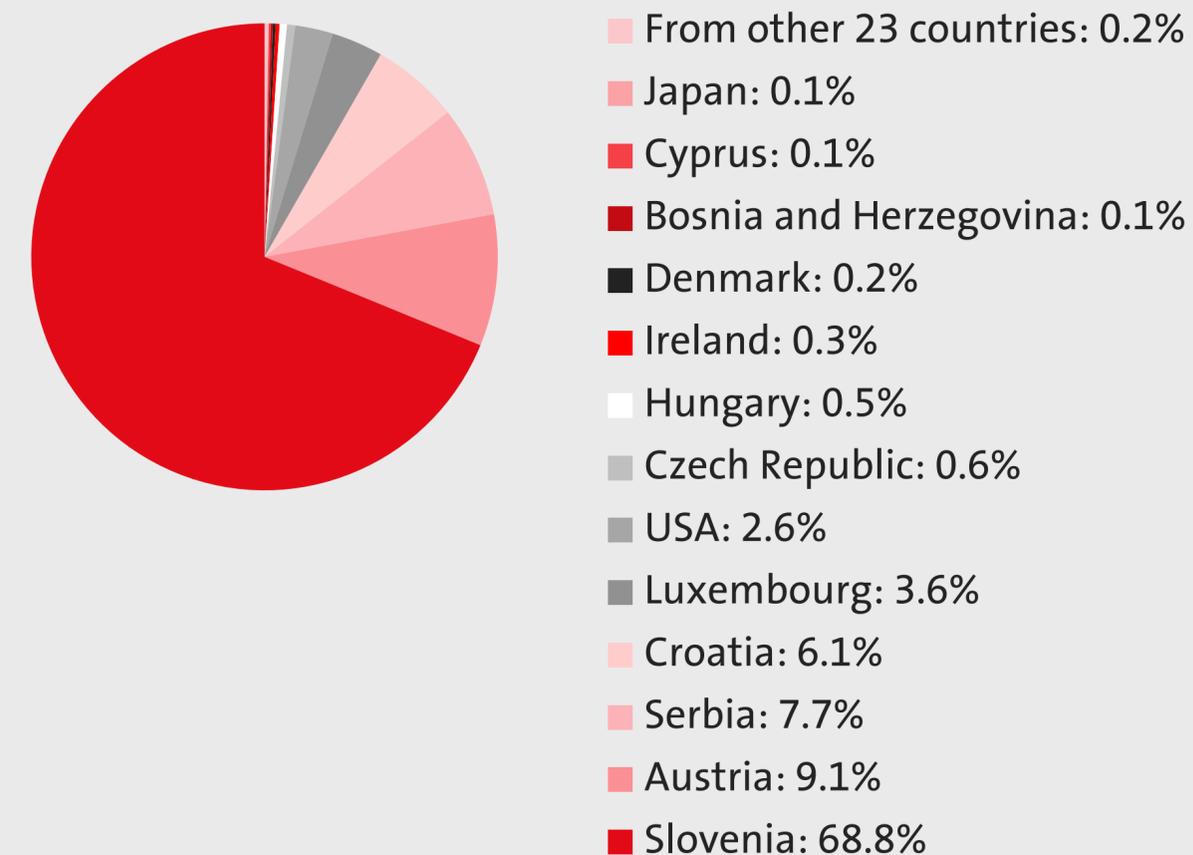
Two state-owned funds predominant shareholders.

Around 12.600 shareholders.

International shareholders from 35 countries with 16% stake (2008: 4%) or 31% of free float.

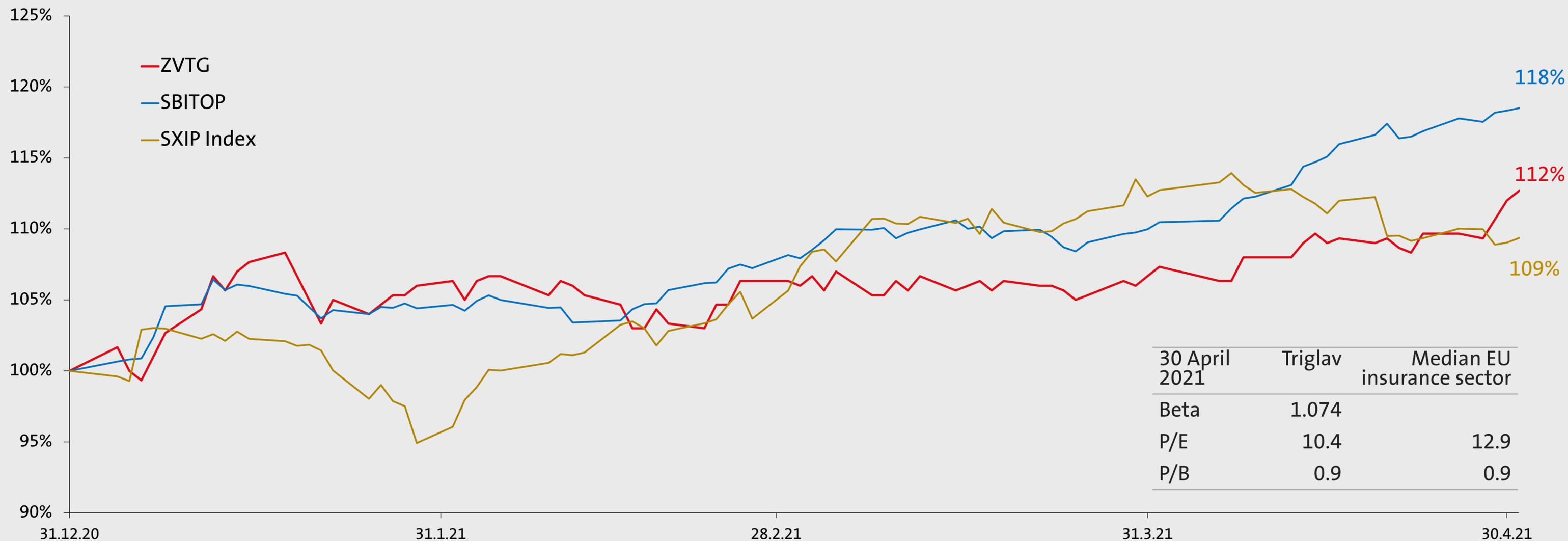
31% shares are Free floating (as at 31 March 2021)

Free float shareholder structure by country of origin of subscriber in the share register:





Triglav Share Price Performance in 2021



	30 April 2021	Triglav	Median EU insurance sector
Beta		1.074	
P/E		10.4	12.9
P/B		0.9	0.9

Traded on Ljubljana SE ISIN code SI0021111651 Ticker ZVTG Bloomberg ZVTG SV Reuters ZVTG.LJ

High "A" Credit Ratings/Stable




Triglav Group's standalone credit profile (S&P*):

Business risk profile - strong

Financial risk profile - very strong

Adequate reinsurance protection

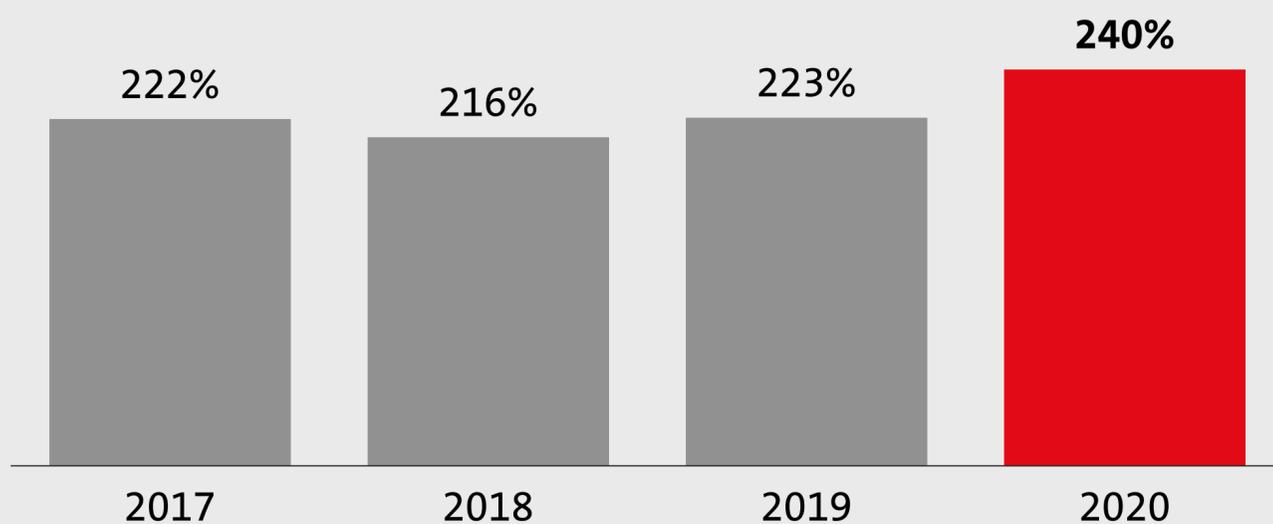
2020

Credit rating agency	Rating	Outlook	Date
A.M. Best	A	stable	16-Oct-2020
S&P Global Ratings	A	stable	11-Sept-2020*
A.M. Best	A	stable	19-Nov-2019
S&P Global Ratings	A	stable	31-Jul-2019
A.M. Best	A	stable	30-Nov-2018
S&P Global Ratings	A	stable	7-Sep-2018
A.M. Best	A	stable	30-Oct-2017
S&P Global Ratings	A	stable	8-Sep-2017
A.M. Best	A	stable	28-Oct-2016
S&P Global Ratings	A	stable	1-Jul-2016
A.M. Best	A-	positive	16-Oct-2015
S&P Global Ratings	A-	positive	29-Aug-2015
A.M. Best	A-	positive	3-Oct-2014
S&P Global Ratings	A-	stable	26-Sep-2014
S&P Global Ratings	A-	stable	7-Jul-2014
A.M. Best	A-	stable	17-Oct-2013
S&P Global Ratings	A-	stable	4-Jul-2013
A.M. Best	A-	stable	21-Mar-2013
S&P Global Ratings	BBB+	positive	14-Feb-2013
S&P Global Ratings	A-	negative	8-Aug-2012
S&P Global Ratings	A	negative	21-Nov-2011
S&P Global Ratings	A	stable	25-Nov-2010
S&P Global Ratings	A	stable	25-Aug-2009
S&P Global Ratings	A	stable	25-Sep-2008

2008

Disciplined Capital Management

Solvency Ratio of Triglav Group



Majority of capital is Tier 1 eligible. Capital management centralised at Group level (capital concentration at the parent company).

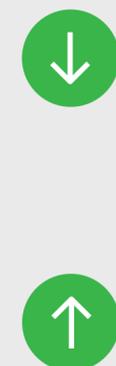
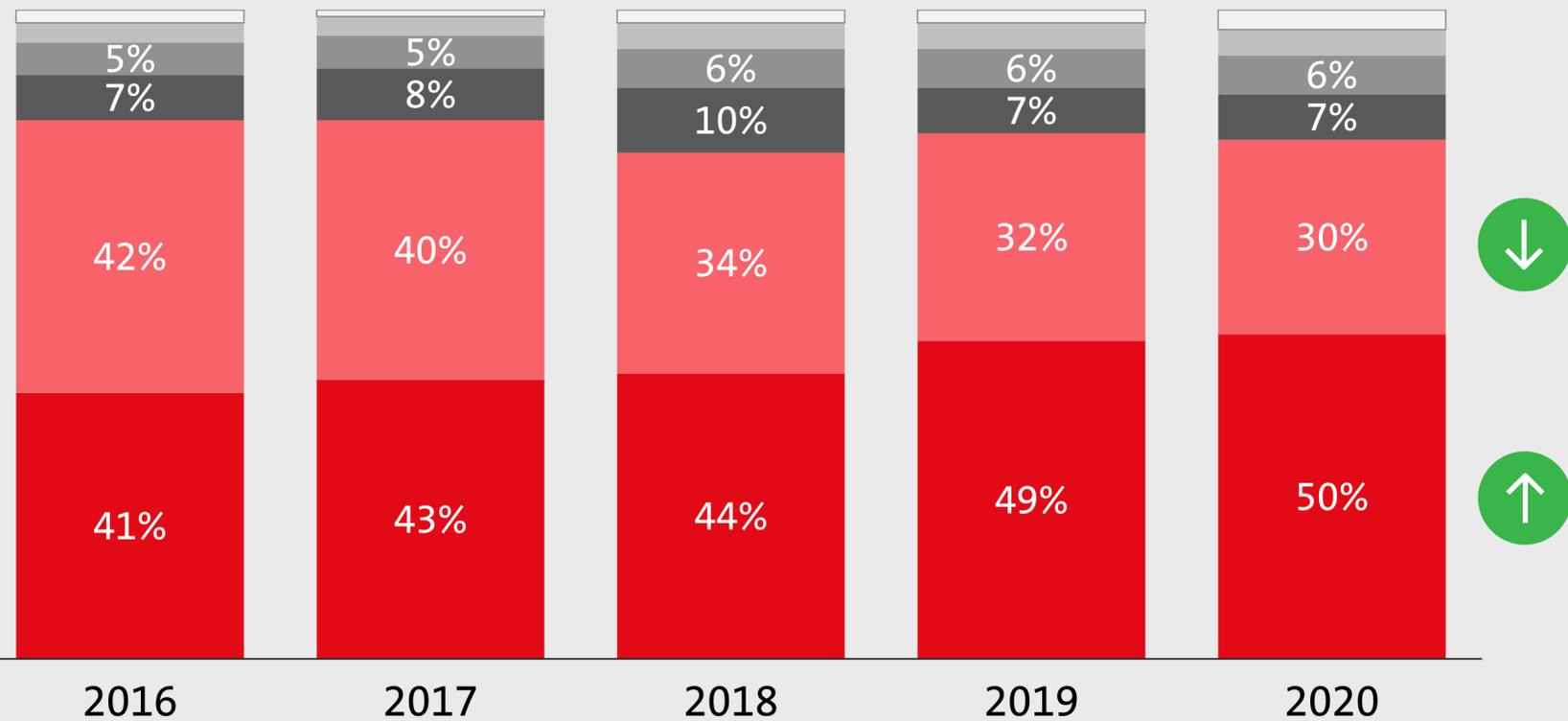


> 250%	Surplus capital adequacy	Possibility of a more aggressive growth of business volume, assessment of potential changes in the business strategy
200 - 250%	Target capital adequacy	Regular performance of risk management activities
150 - 200%	Sub-optimum level of capital adequacy	Analyzing possible medium and long-term measures to improve capital adequacy and emphasized monitoring of risks
130 - 150%	Warning level of capital adequacy	Implementation of measures to improve capital adequacy
< 130%	Insufficient capital adequacy	



Disciplined Capital Management

Risk exposure in line with the defined risk appetite



In 2020 no major changes in risk profile of Triglav Group. Triglav is consistently decreasing exposure to market risk and prudently increasing underwriting risks.

- Risk of other companies
- Risk of companies from other financial sectors
- Operational risk
- Credit risk
- Market risk
- Underwriting risk

Innovation & Development in 2020

Increased digital appearance, upgraded remote business

- New design and process of online sales. Upgraded digital portal i.Triglav. All made mobile friendly.
- Remote signing „Click2sign“. Video identification and verification (life insurance).
- Redesigned Drajev mobile application.
- Active use of AI in some processes.
- Single portal for bank sales network (in SLO). New websites triglav.si and triglav.eu.

Redesign and launch of new products & assistance services

E.g.: car lease UBI insurance designed with car sharing platform; micromobility insurance for risks of usage of electric vehicles; insurance for personal protection, hardware & appliances; redesign of whole life and group voluntary pension; tele & video health services, concierge services, roadside assistance, etc.

Improved claims settlement

Video remote assessment, Assistance 24/7.





Triglav is the highest mountain in Slovenia and the highest peak of the Julian Alps (2,864 meters/9,396 ft).